



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA07-259**

1. Agenda Item Number:
31

2. Council Meeting Date:
June 14, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: May 23, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approval of Contract Amendment No. 1, for construction management services, in the amount of \$125,516 to Carollo Engineers for Price South Well, Project No. WA0524-202, for a revised contract total of \$234,516.

6. RECOMMENDATION: Staff recommends that Council approve Contract Amendment No. 1, for construction management services, in the amount of \$125,516 to Carollo Engineers for Price South Well, Project No. WA0524-202, for a revised contract total of \$234,516.

7. BACKGROUND/DISCUSSION: New wells are needed to meet potable water demand in the developing areas of the City. The proposed well site is located at the existing Price South Water Production Facility on South Price Road and will provide for the equipment outfitting of a new water production well to replace the existing well, which is nearing the end of its service life.

The original design contract did not include construction management services. This Contract Amendment provides for site visits, preparation of responses to Requests for Information, review of Shop Drawings, certification of progress payments, completion of record drawings, and field inspection services. Construction of the equipment outfitting will be awarded under separate Council action.

8. EVALUATION On February 26, 2004, Council approved an annual contract, EN0408-101 to Carollo Engineers for well equipping design and construction management services for potable water and aquifer storage and recovery (ASR) wells. Staff has reviewed the scope of work, billing rates, and total fee for this project, compared them to historical costs, and has determined that the fee is consistent with similar type projects.

9. FINANCIAL IMPLICATIONS:

Engineering Services Contract:	\$109,000	
Contract Amendment No. 1	\$125,516	114.6%
Revised Contract Amount:	\$234,516	
Savings:	N/A	
Long Term Costs:	N/A	

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
603.3820.0000.6814	Water SDF	Well Construction	FY 06/07	\$125,516

10. PROPOSED MOTION: Move that Council approve Contract Amendment No. 1, for construction management services, in the amount of \$125,516 to Carollo Engineers for Price South Well, Project No. WA0524-202, for a revised contract total of \$234,516, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map, Contract Amendment

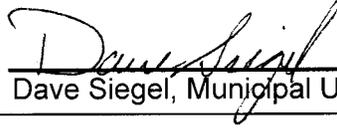
APPROVALS

11. Requesting Department



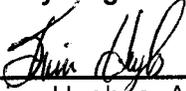
Robert Mulvey, Assistant Municipal Utilities Director

13. Department Head



Dave Siegel, Municipal Utilities Director

12. City Engineer



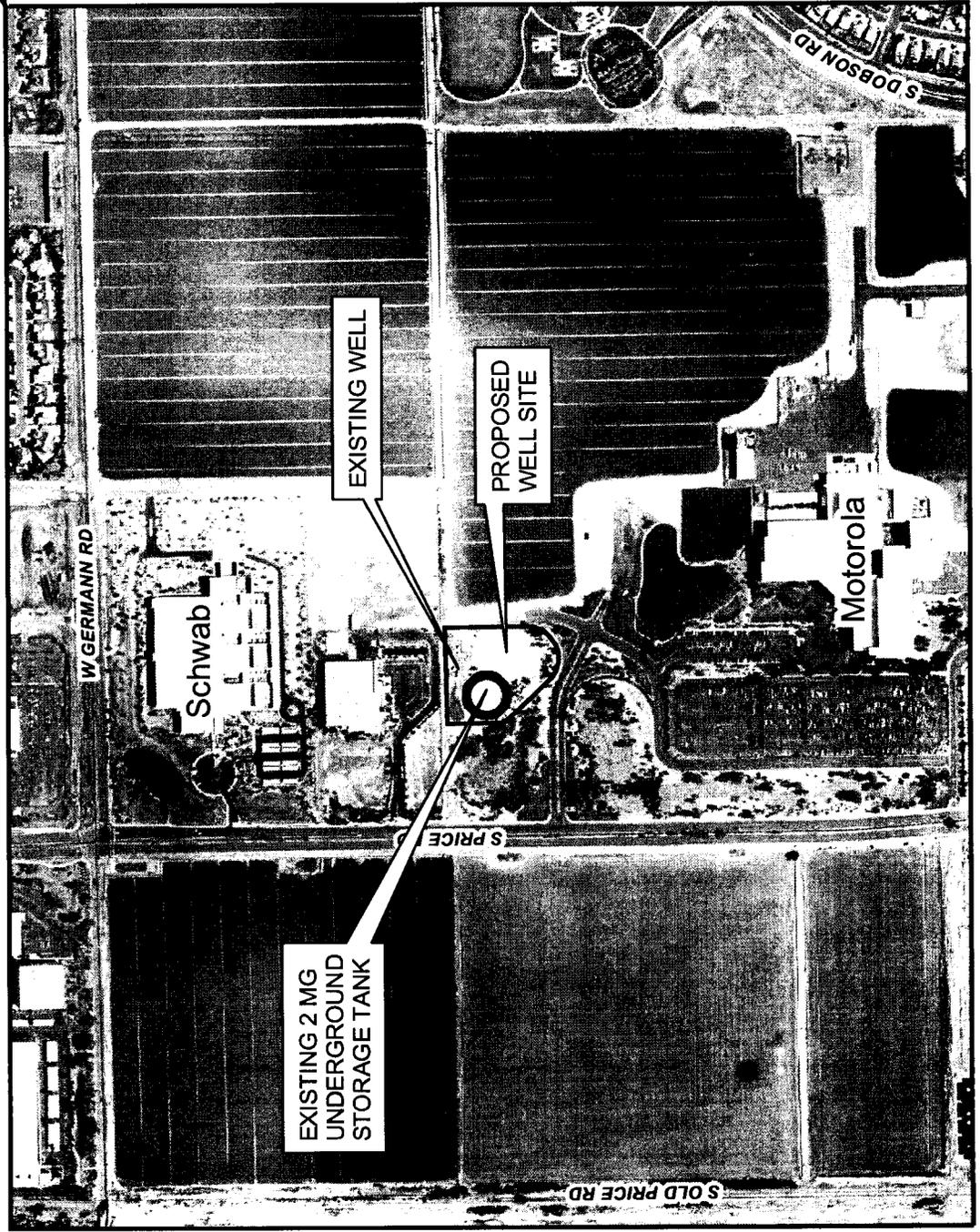
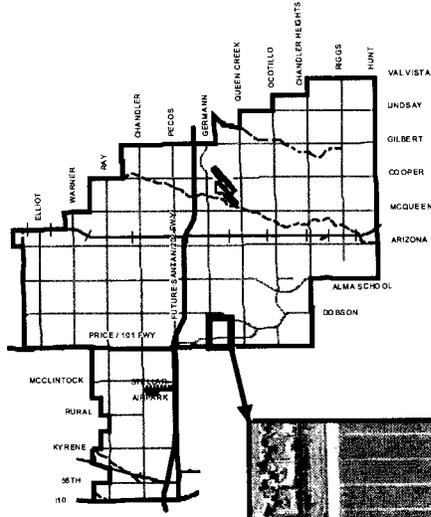
Sheina Hughes, Acting Assistant Public Works
Director/City Engineer

14. City Manager



W. Mark Pentz

PRICE SOUTH WELL EQUIPPING DESIGN PROJECT NO. WA0524-202



MEMO NO. CA07-259





Chandler Arizona

AMENDMENT NUMBER 1

Project Name: Construction Management Service for Price South Well.
Project No.: WA0524-202

This Amendment No. 2 to that certain Agreement Between the City Of Chandler (CITY) and Carollo Engineers, P.C., a Corporation of the State of Arizona dated 7 day of May 2005 is entered into this day of , 2007.

WHEREAS the parties have determined that it is necessary and desirable for ENGINEER to perform additional services for CITY;

NOW THEREFORE, the parties agree as follows:

- 1. Article 1, Description of Work, Construction Management Services for Price South Well, all as more particularly set forth in Exhibit A attached hereto and incorporated herein by reference.
2. Article 2, Contract Price, all as more particularly set forth in Exhibit B attached hereto and incorporated herein by reference.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ___ day of ___, 2007.

CITY OF CHANDLER:

By: _____
MAYOR Date

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST:

City Clerk

ENGINEER
By: [Signature] 5/1/07
Title: PARTNER

ATTEST: (If corporation)

Secretary

WITNESS: (If Individual or Partnership)

SEAL

PARTNER

ACKNOWLEDGE BY:

User Department Signature: _____ Date: _____

Recommended: CITY ENGINEER Date

_____ Title

Recommended: DEPARTMENT DIRECTOR Date:

Amendment No. 1 cont.

Project No. WA0524-402

THESE CHANGES RESULT IN THE FOLLOWING ADJUSTMENTS OF CONTRACT PRICE AND TIME

ORIGINAL CONTRACT AMOUNT	\$ 109,000
CURRENT CONTRACT PRICE PRIOR TO THIS AMENDMENT (Including previous amendments)	\$ 109,000
NET INCREASE / DECREASE (Resulting from this amendment)	\$ 125,516
REVISED CONTRACT PRICE (Including this amendment)	\$ 234,516
AMENDMENT PERCENTAGE (Of original contract price)	<u>114.6%</u>
CONTRACT TIME PRIOR TO THIS AMENDMENT (Including previous amendments)	180 (Days or Date)
NET INCREASE/DECREASE (Resulting from this amendment)	270 (Days or Date)
REVISED CONTRACT TIME (Including this amendment)	March 30, 2008 (Days or Date)
THIS AMENDMENT No. _____	Does not Require Council Approval: Less than \$30,000* _____
	More than \$30,000 but less than 10% of Contract* _____
THIS AMENDMENT No. <u>1</u>	Requires Council Approval Greater than \$30,000* _____
	Greater than 10% of Contract * X
*Including City Manager approved Amendments	
ORIGINAL CONTRACT COUNCIL DATE: 5/12/05 ITEM NO.:32, if applicable	
COUNCIL APPROVAL: _____ ITEM NO: _____, if applicable	

CC: City Clerk User Dept Project Mgr Consultant Project Anaylst File

EXHIBIT A

Scope of Work

SECTION 100 - GENERAL

Engineering Services to be provided by ENGINEER for the CITY. The engineering services to be provided under this Scope of Services shall include services related to the construction, start-up, and post-construction warranty phases of the Price Road South Well Site Equipping Project. The work to be performed for the project consists of the following four types of services:

- 1) Project administration services during construction, Section 200
- 2) Office engineering services during construction, Section 300
- 3) Field engineering services during construction, Section 400
- 4) Special services, Section 500

Engineering services are to be provided throughout the duration of construction and start-up, which is defined in the construction contract documents as 270 calendar days.

SECTION 200 - PROJECT ADMINISTRATION SERVICES DURING CONSTRUCTION

Task 210 - Representation on Behalf of CITY

The ENGINEER shall consult with and advise CITY and act as its representative during construction. The extent and limitations of the duties, responsibilities and authority of ENGINEER as assigned herein shall not be modified, except as ENGINEER and CITY may otherwise agree in writing. CITY instructions to Contractor(s) will be issued through ENGINEER who will have authority to act on behalf of CITY to the extent provided in this Scope of Services except as otherwise provided in writing.

On the basis of periodic on-site examination of materials, equipment, and workmanship, ENGINEER shall keep CITY informed of the progress of the work, shall endeavor to guard CITY against defects and deficiencies in such work and may disapprove or reject work failing to conform to the construction documents. This task shall include the following items:

1. Conduct Pre-construction Conference: The ENGINEER shall conduct a pre-construction conference. At the conference, the ENGINEER shall identify field services to be provided by the ENGINEER and discuss appropriate coordination procedures. The ENGINEER shall prepare an agenda for the meeting and shall prepare and distribute the meeting minutes.

Task 220 - Perform Site Visits

The ENGINEER's design staff shall make site visits appropriate for the type of construction at periods appropriate to the various stages of construction to observe, as an experienced and qualified professional, the progress and quality of the executed work of Contractor and to determine in general, if such work is proceeding in accordance with the design intent. The ENGINEER's site visits shall support the inspection needs and requirements established by the CITY.

Task 230 - Review Shop Drawings and Test Results

The ENGINEER shall receive, review, evaluate, and distribute shop drawings, samples, test results, and other data that Contractor is required to submit. The ENGINEER's review shall only be for conformance with the design concept of the Project and compliance with the information given in the construction documents. The ENGINEER shall receive and review (for general contents as required by the construction documents) maintenance and operating schedules and instructions, operation and maintenance manuals, guarantees, bonds and certificates of inspection which are to be assembled by Contractor in accordance with the construction documents.

As part of this task, the ENGINEER shall maintain a submittal log showing dates of submittal, transmittal action to other subconsultants, dates of return and review action. Copies of the log shall be furnished to the CITY and the Contractor monthly. The ENGINEER shall also evaluate the Contractor's request for substitutions. The level of effort for this task is based upon receiving 40 shop drawing submittals.

Task 240 - Issue Interpretations and Clarifications

The ENGINEER shall issue the CITY's instructions to Contractor; issue necessary interpretations and clarifications of the construction documents; have authority, as CITY's representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the construction documents and judge of the acceptability of the work thereunder, and make decisions on claims of the CITY and the Contractor relating to the acceptability of the work or the interpretation of the requirements of the construction documents pertaining to the execution and progress of the work. The ENGINEER shall render interpretations or decisions in good faith and in accordance with the requirements of the construction documents.

The ENGINEER shall respond to the CITY's representative and/or Contractor to clarify and/or interpret technical, design related questions. The ENGINEER shall respond to issues raised during construction regarding interpretation and clarification of the contractual administrative and technical requirements of the construction documents. This level of effort is based upon receiving 20 RFIs.

Task 250 - Certify Progress Payments

Based on ENGINEER's on-site observations, as an experienced and qualified professional, and on review of applications for payment and the accompanying data and schedules, the ENGINEER shall determine the amounts owing to Contractor and recommend in writing payments to Contractor in such amounts; such recommendations of payment will constitute a representation to CITY, based on such observations and review, that the work has progressed to the point indicated, that, to the best of ENGINEER's knowledge, information and belief, the quality of such work is in accordance with the construction documents and that payment of the amount recommended is due Contractor.

SECTION 300 - ENGINEERING SERVICES DURING CONSTRUCTION

Task 310 - Changes

The ENGINEER shall perform services in connection with change orders to reflect changes requested by CITY or Contractor, for evaluating substitutions proposed by Contractor, and in making revisions to drawings and specifications occasioned thereby, and resulting from significant delays, changes or price increases occurring as a direct or indirect result of material or equipment shortages. Changes and substitutions shall be limited to the scope of the project as defined by the construction documents or additional work as may be requested by the CITY.

Task 320 - Record Drawings

Prepare a set of reproducible record drawings showing those changes made during the construction process, based on the marked-up prints, drawings and other data furnished by Contractor(s) to ENGINEER and which ENGINEER has sufficiently reviewed for accuracy and completeness. One (1) set of reproducible record drawings will be provided. Record drawing information may be reproduced by computer-aided methods (CAD). The record drawings shall be provided on 4-mil mylar as required by the City of Chandler.

Task 330 - Operation and Maintenance Manual

During the course of the work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by Contractor are applicable to the items actually installed.

Prepare an operating and maintenance manual that is a compilation of the manufacturers operating and maintenance instructions as submitted by the Contractor. The manual prepared under these services will be in Report format and comb bound to supplement existing City procedures for this site.

SECTION 400 – FIELD INSPECTION SERVICES DURING CONSTRUCTION

The Field Inspector will be furnished by ENGINEER and will act as directed by ENGINEER, in order to assist ENGINEER in observing performance of the work of the Contractor.

The Field Inspector, as the ENGINEER's agent, will act as directed by and under the supervision of the ENGINEER, and will confer with the ENGINEER. Field Inspector's dealings in matters pertaining to the on-site work shall in general be only with ENGINEER and Contractor, and dealings with subcontractors shall only be through or with the full knowledge of Contractor. Written communication with CITY will be only through or as directed by ENGINEER, and may be through the Field Inspector.

Task 410 - Conferences

Attend pre-construction conference and construction progress meetings. Prepare and distribute minutes of such meetings. Construction conferences will be held no more than twice per month during the course of construction.

Task 420 - Inspection of Work, Rejection of Defective Work, and Review of Tests

1. Conduct on-site observations of the work in progress to assist ENGINEER in determining if the work is proceeding in accordance with the construction documents and that completed work conforms to the construction documents.
2. Report to ENGINEER whenever it is believed that work is unsatisfactory, faulty or defective or does not conform to the construction documents, or does not meet the requirements of inspections, tests or approval required to be made, or has been damaged prior to final payment; and advise ENGINEER when it is believed work should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.
3. Verify that tests, equipment and systems start-up and operating and maintenance instructions are conducted as required by the construction documents and in presence of the required personnel, and that Contractor maintains required records thereof; observe, record and report to ENGINEER appropriate details relative to the test procedures and start-ups.

Task 430 - Records

1. The ENGINEER shall maintain orderly files for correspondence, reports of job conferences, shop drawings and samples submissions, reproductions of original construction documents including all addenda, change orders, field orders, additional drawings issued subsequent to the execution of the Contract, clarifications and interpretations of the construction documents, progress reports, and other Project related documents.
2. The Field Inspector shall prepare reports recording the Contractor's work performed on the job site, major construction equipment on-site, weather conditions, data relative to questions of extras or deductions, list of visiting officials and representatives of manufacturers, fabricators, suppliers and distributors, daily activities, decisions, on-site equipment, subcontractors on-site, observations in general and specific observations in detail as in the case of observing test procedures. Send copies to ENGINEER.

Task 440 - Payment Application

The Field Inspector shall review applications for payment as described in Task 250 with Contractor for compliance with the established procedure for their submission and forward them with recommendations

to ENGINEER, noting particularly their relation to the schedule of values, work completed, and materials and equipment delivered at the site but not incorporated in the work.

Task 450 - Substantial Completion/Final Acceptance

1. The Field Inspector shall assist ENGINEER in the completion of the Substantial Completion and Final Acceptance tasks as described in Task 260.
2. Before ENGINEER issues a Certificate of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction in accordance with the requirements of the construction documents.
3. After the Contractor has completed the work of the list of Subtask 450.2 and upon request of the Contractor, Field Inspector shall conduct final inspection in the company of ENGINEER, CITY and Contractor. Prepare a final list of items to be completed or corrected in accordance with the requirements of the construction documents.
4. After the Contractor has completed the work of the final list of Subtask 450.3 and upon written notice from the Contractor, review and determine that items on the final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance.

SECTION 500 - SPECIAL SERVICES

Task 510 - Warranty

The ENGINEER shall provide services after completion of the construction phase, such as inspections during the 12-month guarantee/warranty period, reporting observed discrepancies under guarantees called for in the construction documents, and provide assistance for resolution of defects to be corrected under warranty.

STANDARD OF CARE

ENGINEER, shall be responsible to the level of competency and standard of care presently maintained by other practicing Professional Engineers performing the same or similar type of work at the time notice to proceed is issued. ENGINEER and CITY mutually agree that standard of care, as applied to design professionals, shall be defined as the ordinary and reasonable care required and established by expert testimony of what a reasonable and prudent professional would have done under the same or similar circumstances.

ENGINEER shall not be responsible for the means, methods, techniques, sequences, or procedures of construction selected by contractors or the safety precautions and programs incidental to the work of contractors and will not be responsible for Contractor's failure to carry out work in accordance with the Contract Documents.

ENGINEER has no control over the cost of labor, materials, equipment, or services furnished by others, or over Contractor's methods of determining prices, or other competitive bidding or market conditions, practices, or bidding strategies. Cost estimates are based on the ENGINEER's opinion based on experience and judgment. ENGINEER cannot and does not guarantee that proposals, bids, or actual project construction costs will not vary from cost estimates prepared by the ENGINEER.

**EXHIBIT B
FEE SCHEDULE**

CONSTRUCTION PHASE TASKS		Categories					Subtotals
		Senior Professional	Project Professional	Assistant Professional	Senior Technician	Clerical	
Task 200	Project Administration Services						
210	Representation for Owner.	0	8	4	4	0	16
220	Perform Site Visits.	0	12	16	0	0	28
230	Review Shop Drawings and Test Results.	0	12	180	0	24	216
240	Issue Interpretations and Clarifications.	0	8	64	0	16	88
250	Certify Progress Payments.	0	4	18	0	9	31
	Subtotal Task 200	0	44	282	4	49	379
Task 300	Office Engineering Services						
310	Changes.	0	6	16	0	4	26
320	Record Drawings.	1	4	28	80	0	113
330	Operation and Maintenance Manual.	1	2	24	16	16	59
	Subtotal Task 300	2	12	68	96	20	198
Task 400	Field Inspection Services						
410	Conferences.	0	8	6	36	8	58
420	Inspection of the Work.	0	0	24	360	4	388
430	Records.	0	6	32	48	12	98
440	Substantial Completion / Final Acceptance.	1	2	8	8	2	21
	Subtotal Task 400	1	16	70	452	26	565
Task 500	Special Services						
510	Warranty.	1	4	8	12	6	31
	Subtotal Task 500	1	4	8	12	6	31
Total - Construction Phase - Man-Hours		4	76	428	564	101	1173
Total - Labor Cost		\$ 762	\$12,411	\$53,063	\$51,166	\$6,414	\$123,816
DIRECT COST ALLOWANCES							
1.)	Mileage, mylars, reproduction.						\$ 1,700
							Total Direct Cost Allowances \$ 1,700
NOTES							
1.)	Field survey services are not included in this contract.						
2.)	Assumes a 9-month construction period.						
							TOTAL CM PHASE PROJECT COSTS \$125,516